

~~SECRET~~DCI
28 September 1959

COMMUNIST CHINA'S TENTH ANNIVERSARY

- I. Peiping has been out to make its decennial celebration tomorrow a great "spectacular" of Chinese Communist strength and achievement.
- A. The USSR and the Asian satellites are sending their top drawer Communists.
- B. But the Chinese may not be entirely gratified by the response from the rest of the bloc. The East Europeans are mostly sending delegations headed by titular heads of state. Only Albania and Czechoslovakia are sending top political figures.
- C. Khrushchev is probably going more to discuss vital Sino-Soviet issues than to lend his prestige to the ceremonies.
1. Chinese have been reserved about merits of Khrushchev visit to United States. Khrushchev will probably give his account of visit and reassure Peiping that Chinese interests have not been compromised.
 2. Soviet officials, for their part, have been less than enthusiastic over Peiping's handling of Laotian crisis and border dispute with India.
 3. Both sides have differed on merits of Chinese commune and "leap forward" efforts.
 4. We can expect real effort to smooth over differences and joint communique affirming bloc solidarity.

DOCUMENT NO. 17
NO CHANGE IN CLASS
CLASSIFIED
CLASS CHANGE TO
NEXT REVIEW DATE
AUTH. NO. 70-
DATE 12-28-79 REVIEWER:

25X1

~~SECRET~~

~~SECRET~~

Approved For Release 2002/08/12 : CIA-RDP79R00890A001100090017-8
II. We don't think Chinese will try to highlight their day with any new military initiative.

- A. They assert their determination to "liberate" Taiwan and offshore islands but aren't setting any dates.
 - 1. In celebration of National Day, the Communists will deviate from their odd-day shelling of off-shore islands. They have announced they will not shell on 29 September and 1 October.
- B. The Indian border dispute is quiescent, and the Chinese want to keep it that way.
- C. Things are working out well enough for Peiping in Laos without overt Chinese intervention at this time.
- D. Parades and fly-bys will be Peiping's way of displaying its military strength on this day.
 - 1. New items of local manufacture, e.g., tanks, should get prominent display.
- E. Reports from many sources say Chinese will send up their own Sputnik on National Day. We are doubtful.
 - 1. We don't exclude possibility Russians could send one up from Chinese soil but there is no firm evidence such a program under way.
- F. Regime is directing attention of Chinese people and world at large to vast improvement made in economy over past ten years.

~~SECRET~~

~~SECRET~~

Approved For Release 2002/08/12 : CIA-RDP79R00890A001100090017-8

1. The comparisons will reflect effort to recover prestige after embarrassing retraction of claims for unprecedented progress last year and cutback in this year's targets.
- III. Attendance of Chinese officials at ceremonies will provide fresh insights into government shakeup announced by Peiping two weeks ago.
- A. Highlight of shakeup was dismissal of Defense Minister Peng Te-huai.
1. Peng apparently still retains his other titles (vice premier, politburo member) but he hasn't been seen or heard of since 21 June.
 2. Cause of his dismissal not announced. There have been indications, however, that some military people were at odds with the party over issues such as party control over army, regime's hot-and-cold tactics in Taiwan Strait, enforced participation of army in agriculture and other economic activities.
 3. Selection of Minister of Public Security as new chief of staff augurs for increased party surveillance over army.
- B. Dismissal of two senior deputy foreign ministers had anti-Soviet overtone.
1. Both were former ambassadors to Moscow with record of affinity for Soviet viewpoints.
 2. Mao may have been exasperated by their harping on Soviet examples in face of Chinese commune and leap forward innovations.

~~SECRET~~

~~SECRET~~

Approved For Release 2002/08/12 : CIA-RDP79R00890A001100090017-8

3. But again both men apparently retain their party posts.

If these men and others whose status is in doubt (including Party Secretary-General Teng Hsiao-ping), show up at anniversary celebrations, we can conclude shakeup will not extend to proportions of full-scale purge.

Approved For Release 2002/08/12 : CIA-RDP79R00890A001100090017-8

~~SECRET~~